

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

WAYMO LLC,

Plaintiff,

No. C 17-00939 WHA

v.

UBER TECHNOLOGIES INC.,
OTTOMOTTO, LLC, and
OTTO TRUCKING LLC,

Defendants.

**TENTATIVE JURY
INSTRUCTIONS
ON TRADE SECRET
MISAPPROPRIATION**

Please find below tentative jury instructions and a special verdict form on the misappropriation issue. By **NOON ON OCTOBER 24**, counsel shall please submit a critique plus any proposed additions. By **NOON ON OCTOBER 27**, each side shall please submit a “counter critique.” Please quote the *entire* paragraph of any authority you contend supports or contradicts each tentative instruction or verdict question and highlight the key language from within the quote. Quote only authority that remains good law (please double check). The critique shall be limited to ten pages (no attachments) and the counter critique to five pages (no attachments), limits intended to encourage concentration on the items of most concern. Opportunity will be allowed later to make all other objections. Use normal font (12) and only double spacing except block quotations may be single-spaced. Counsel are invited to please meet and confer to iron out differences and to stipulate that the instructions shall, to avoid jury confusion, cover both federal and state law without distinction. Refer to the proposals as, for example, “TJI#2,” meaning “Tentative Jury Instruction No. 2.”

I.

This trial concerns Alleged Trade Secrets Numbers 2, 7, 9, 13, 14, 25, 90, 96 and 111, which are described in TX _____.

II.

To succeed on its claim that a defendant misappropriated one or more trade secrets, Waymo must prove all of the following:

1. That the Alleged Trade Secret qualified as an enforceable trade secret at the time it was allegedly misappropriated;
2. That defendant improperly acquired, then used or disclosed the Alleged Trade Secret;
3. That defendant was thereby unjustly enriched; and
4. That such use or disclosure was a substantial factor in unjustly enriching the defendant.

No defendant may be held liable as to any Alleged Trade Secret unless all of these elements of proof are satisfied as to that defendant and as to that Alleged Trade Secret. I will now explain these elements of proof in more detail.

III.

Turning to the first element of proof for a misappropriation claim, Waymo must prove that each Alleged Trade Secret qualified as an enforceable trade secret at the time of alleged misappropriation. To do so, Waymo must prove all of the following:

1. That Waymo owned the Alleged Trade Secret;
2. That the Alleged Trade Secret was secret at that time;
3. That the Alleged Trade Secret had actual or potential independent economic value at that time because it was secret; and
4. That Waymo made reasonable efforts up to the alleged misappropriation to keep the Alleged Trade Secret.

I will now explain these factors in more detail.

1 IV.

2 The secrecy required to prove that something is a trade secret does not have to be
3 absolute secrecy in the sense that no one else in the world possessed the information. It may
4 have been disclosed to employees involved in the owner's use of the trade secret as long as they
5 were instructed to keep the information secret. It may also have been disclosed to nonemployees
6 if they were obligated to keep it secret. However, it must not have been generally known to the
7 public or to people who could have obtained value from knowing it.

8 V.

9 Generalized knowledge and skill that an employee learns on the job cannot qualify as a
10 trade secret. Matters of general knowledge in a trade or special knowledge of persons who are
11 skilled in a trade cannot be claimed as trade secrets.

12 VI.

13 Information that is readily ascertainable by proper means at the time of the alleged
14 misappropriation cannot qualify as a trade secret. There is no fixed standard for determining
15 what is "readily ascertainable by proper means." In general, information is readily ascertainable
16 if it can be obtained, discovered, developed, or compiled without significant difficulty, effort, or
17 expense. For example, information is readily ascertainable if it is available in trade journals,
18 reference books, or published materials. On the other hand, the more difficult information is to
19 obtain, and the more time and resources that must be expended in gathering it, the less likely it is
20 that the information is readily ascertainable by proper means.

21 VII.

22 A trade secret has independent economic value if it would have given the owner an actual
23 or potential business advantage over others who did not know the information and who could
24 have obtained economic value from its disclosure or use. In determining whether the
25 information had actual or potential independent economic value because it was secret, you may
26 consider the following:

- 27 1. The extent to which the owner obtained or could have obtained
28 economic value from the information in keeping it secret;

1 7. Whether the owner took any action to protect the specific
2 information, or whether it relied on general measures taken to protect its
3 business information or assets;

4 8. The extent to which any general measures taken by the owner
5 would prevent the unauthorized disclosure of the information; and

6 9. Whether there were other reasonable measures available to the
7 owner that it did not take.

8 The presence or absence of any one or more of these factors is not necessarily
9 determinative.

10 IX.

11 Turning to the third element of proof for a misappropriation claim, a defendant
12 misappropriates an Alleged Trade Secret if that defendant used it or disclosed it without the
13 owner's consent and either acquired knowledge of the trade secret by improper means or at the
14 time of use, knew or had reason to know that its knowledge of the trade secret came through
15 persons who had acquired it by improper means.

16 X.

17 Improper means of acquiring a trade secret or knowledge of a trade secret include, but are
18 not limited to, theft, misrepresentation, breach or inducing a breach of a duty to maintain
19 secrecy. It is not improper, however, to acquire a trade secret or knowledge of the trade secret
20 by any of the following:

- 21 1. Independent efforts to invent or discover the information;
- 22 2. Reverse engineering; that is, examining or testing a product to
23 determine how it works by a person who has a right to possess the product;
- 24 3. Observing the information in public use or on public display; or
- 25 4. Obtaining the information from published literature, such as
26 trade journals, reference books, the Internet, or other publicly available
27 sources.
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1 XI.

2 Misappropriation by use requires actual use. It is not enough to speculate that employees
3 of the accused would inevitably have used the claimed trade secret in their work.

4 XII.

5 You have heard evidence that the law firm of Morrison & Foerster and/or the forensic
6 analytics firm of Stroz Friedberg LLC received Alleged Trade Secrets in connection with Uber's
7 acquisition of Ottomotto LLC. Under the law, if Waymo proves that one or both of these firms
8 acquired such a trade secret as an agent of a defendant, then you must treat that trade secret as
9 having been acquired by that defendant unless it is proven that such firm was under an obligation
10 not to disclose the trade secret to that defendant.

11 XIII.

12 You have heard testimony that employees of Uber, Ottomotto, and Otto Trucking once
13 worked for Google and/or Waymo. The mere fact that employees left Google or Waymo to work
14 for a defendant does not mean that they used Waymo's trade secrets after they left Google or
15 Waymo. Employees have the right to change employers and to apply their talents and skills in
16 their new jobs. Doing so is lawful as long as they don't reveal or use information qualifying as a
17 trade secret of a prior employer.

18 XIV.

19 Turning to the fourth element of proof of a misappropriation claim, unjust enrichment
20 occurs whenever a defendant reaps an undeserved benefit such as accelerating its own
21 development timeline by taking improper advantage of someone else's trade secrets. Unjust
22 enrichment does not occur, however, where the benefit would have been realized anyway.

23 XV.

24 A substantial factor in causing unjust enrichment means a factor that a reasonable person
25 would consider to have contributed to the unjust enrichment. It must be more than a remote or
26 trivial factor. It does not have to be the only cause. Conduct is not a substantial factor in
27 causing unjust enrichment if the same enrichment would have occurred without that conduct.
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XVI.

If you find any defendant misappropriated one or more Alleged Trade Secrets, then you must decide whether Waymo has proven a dollar value for the unjust enrichment by that defendant.

XVII.

Measure of recovery (counsel to supply).

XVIII.

If you find any defendant misappropriated one or more Alleged Trade Secrets and you decide that that defendant was able to shorten its development timeline by reason of the misappropriation, then please determine the number of days by which Waymo has proven, if it has, the timeline was shortened.

XIX.

If you find any defendant misappropriated one or more Alleged Trade Secrets, then you must decide whether that defendant's conduct was willful and malicious. If you so find, then you must determine what amount of exemplary damages Waymo should recover from that defendant. Exemplary damages are intended to punish the defendant and to deter misappropriation of trade secrets. You may determine an amount of exemplary damages up to two times the amount awarded as the unjust enrichment.

IT IS SO ORDERED.

Dated: October 17, 2017.

DRAFT

WILLIAM ALSUP
UNITED STATES DISTRICT JUDGE

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

WAYMO LLC,

Plaintiff,

No. C 17-00939 WHA

v.

UBER TECHNOLOGIES INC.,
OTTOMOTTO, LLC, and
OTTO TRUCKING, LLC,

**TENTATIVE SPECIAL
VERDICT FORM (ON
MISAPPROPRIATION CLAIMS)**

Defendants.

In answering this special verdict form, please refer to the Alleged Trade Secrets by their numbers as assigned in Trial Exhibit _____. Your answers must be unanimous to all applicable questions.

1. Has Waymo proven defendants improperly acquired one or more of the Alleged Trade Secrets? Answer separately as to each defendant. If you answer “Yes” below as to any defendant, please specify which Alleged Trade Secret(s) by number were misappropriated by that defendant.

UBER TECHNOLOGIES, INC.

____ YES, UBER TECHNOLOGIES, INC., ACQUIRED IMPROPERLY THE
FOLLOWING ALLEGED TRADE SECRET(S): _____

____ NO, NOT PROVEN AS TO UBER TECHNOLOGIES, INC.

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OTTOMOTTO, LLC

____ YES, OTTOMOTTO, LLC, ACQUIRED IMPROPERLY THE FOLLOWING
ALLEGED TRADE SECRET(S): _____

____ NO, NOT PROVEN AS TO OTTOMOTTO, LLC.

OTTO TRUCKING, LLC

____ YES, OTTO TRUCKING, LLC, ACQUIRED IMPROPERLY THE
FOLLOWING ALLEGED TRADE SECRET(S): _____

____ NO, NOT PROVEN AS TO OTTO TRUCKING, LLC.

If you answer “No” as to all defendants, you are done — go to the end and sign and date the Special Verdict Form. Otherwise, go to the next question. If you answer “No” as to only some defendants, then you should ignore those defendants for the rest of the form.

2. With respect to any defendant for whom you answered “Yes” in the prior question and only as to the Alleged Trade Secret(s) you listed beside their name(s), has Waymo proven that any such defendant used or disclosed such Alleged Trade Secret(s)? If you answer “Yes” as to any defendant(s), please identify which Alleged Trade Secret(s) so used or disclosed by that defendant(s).

UBER TECHNOLOGIES, INC.

____ YES, UBER TECHNOLOGIES, INC., USED OR DISCLOSED THE
FOLLOWING ALLEGED TRADE SECRET(S): _____

____ NO, NOT PROVEN AS TO UBER TECHNOLOGIES, INC.

OTTOMOTTO, LLC

____ YES, OTTOMOTTO, LLC, USED OR DISCLOSED THE FOLLOWING
ALLEGED TRADE SECRET(S): _____

____ NO, NOT PROVEN AS TO OTTOMOTTO, LLC.

OTTO TRUCKING, LLC

____ YES, OTTO TRUCKING, LLC, USED OR DISCLOSED THE
FOLLOWING ALLEGED TRADE SECRET(S): _____

____ NO, NOT PROVEN AS TO OTTO TRUCKING, LLC.

*If you answered “No” for all defendants, you are done and should go to the end and sign
and date the Special Verdict Form. Otherwise, go to the next question.*

3. As to each Alleged Trade Secret you find was used or disclosed by any
defendant(s) in answer to the prior question and only as to those (leave the others blank), has
Waymo proven that, at the time of the alleged misappropriation, they qualified as enforceable trade
secrets?

	YES	No
ALLEGED TRADE SECRET NO. 2	_____	_____
ALLEGED TRADE SECRET NO. 7	_____	_____
ALLEGED TRADE SECRET NO. 9	_____	_____
ALLEGED TRADE SECRET NO. 13	_____	_____
ALLEGED TRADE SECRET NO. 14	_____	_____
ALLEGED TRADE SECRET NO. 25	_____	_____
ALLEGED TRADE SECRET NO. 90	_____	_____
ALLEGED TRADE SECRET NO. 96	_____	_____
ALLEGED TRADE SECRET NO. 111	_____	_____

If you answer “No” as to all Alleged Trade Secrets, then you are done — go to the end and sign and date the Special Verdict Form. Otherwise, go to the next question. If you answer “No” as to only some Alleged Trade Secret(s), then you should ignore those Alleged Trade Secret(s) for the rest of this form.

4. As to any defendant marked “Yes” in the previous answer and as to all enforceable Alleged Trade Secrets disclosed or used by that defendant, state whether Waymo has proven both that such misappropriation unjustly enriched that defendant and that its misappropriation was a substantial factor in unjustly enriching that defendant.

	YES	NO
UBER TECHNOLOGIES, INC.	_____	_____
OTTOMOTTO, LLC	_____	_____
OTTO TRUCKING, LLC	_____	_____

If you answered “No” to all applicable defendants, then you are done and should go to the end and sign and date the Special Verdict Form. Otherwise, go to the next question.

5. As to any defendant marked “Yes” in Question No. 4, state the dollar amount by which Waymo has proven that any such defendant was unjustly enriched by reason of its misappropriation of enforceable trade secrets.

UBER TECHNOLOGIES, INC.	\$_____
OTTOMOTTO, LLC	\$_____
OTTO TRUCKING, LLC	\$_____

6. As to any defendant marked “Yes” in Question No. 4, state the number of days saved in its development timeline by such defendant by reason of its misappropriation of enforcible trade secrets.

NUMBER OF DAYS

UBER TECHNOLOGIES, INC. _____

OTTOMOTTO, LLC _____

OTTO TRUCKING, LLC _____

[NOTE TO COUNSEL: THE PURPOSE OF THIS TENTATIVE QUESTION IS TO FACILITATE AN INJUNCTION SHUTTING DOWN WORK ON UBER’S LiDAR DEVELOPMENT IN THE EVENT AN INJUNCTION IS WARRANTED. THE JURY’S ANSWER COULD INFORM US AS TO THE APPROXIMATE LENGTH OF THE SHUTDOWN IN ORDER TO TAKE AWAY ANY UNJUST ENRICHMENT BY REASON OF A SHORTENED PATH OF DEVELOPMENT.]

7. As to any defendant marked “Yes” in Question No. 4, has Waymo proven that said defendant(s) acted willfully and maliciously in misappropriating any enforcible Alleged Trade Secret(s)? If “Yes,” state the dollar amount of any exemplary damages you award.

YES NO AMOUNT

UBER TECHNOLOGIES, INC. _____ \$_____

OTTOMOTTO, LLC _____ \$_____

OTTO TRUCKING, LLC _____ \$_____

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Your answer to all of the foregoing questions must be unanimous.

Dated:

FOREPERSON